

## Katrina Update Briefs: Louisiana Seafood Promotion Board gets in gear, Bulletin Board set up

SEAFOOD.COM NEWS by John Sackton Sept. 12, 2005-

Seafood industry meeting to take place Thursday, Sept. 15th. The Louisiana Seafood Promotion Board and the Louisiana Oyster Task Force will hold a joint meeting this Thursday to assess the situation of the industry following Katrina, and plan for recovery and next steps. According to Mike Voisin, "We will be receiving reports on current challenges created by Hurricane Katrina and setting directions for the future."

Louisiana oyster and shrimp industries still are harvesting product in certain areas; approximately 1/3 of the industry is still functional, especially in Western Louisiana. If you are in the Seafood industry, don't hesitate to try and buy some of these products, in many cases sellers are finding their normal distribution channels totally disrupted.

Reports are that waters in Western Louisiana are fine, and some say shrimp fishing is good. The Hurricane may have actually pushed the shrimp closer to shore. Shrimp peeling plants in Dulac are operating, and reports from some of the first vessels to land after the storm are that the shrimp look very good.

Also, the Louisiana Seafood Promotion and Marketing Board has announced it is launching a web message board in partnership with Seafood Business designed to reunite members of the Gulf Coast and Louisiana seafood industry affected by Hurricane Katrina.

The posting board, which can be accessed through [www.LouisianaSeafood.com](http://www.LouisianaSeafood.com), will provide a platform for separated family members and acquaintances to post information on their whereabouts and the status of their loved ones

It will also provide the means for fishermen to report on damages and losses to the industry by sector and location in each state.

Information gathered will be used to help assess the status of the Louisiana seafood industry which has a 2.6 billion dollar economic impact to the state.

"In the wake of this enormous tragedy and the massive destruction caused by Katrina, the internet has proven to be the most efficient form of communication," said Ewell Smith, executive director of the Louisiana Seafood Board. "We hope this will help us begin to rebuild our industry while aiding the thousands of lives and businesses associated with Louisiana seafood."

## EU lowers Thai shrimp tariff in move that will have major trade implications for U.S., local shrimp

SEAFOOD.COM NEWS [The Nation] Sept 9, 2005 --Bangkok -The European Union

(EU) has agreed to a temporary measure that brings down tariffs on Thai shrimp under the Generalised System of Preferences (GSP). The measure is expected to boost Thai shrimp exports, which have dropped 90 per cent since 1999 when the privileges were cut.

The EU Delegation of the European Commission in Bangkok announced yesterday that shrimp exports from all countries, including Thailand, would benefit. The announcement was made after the EU took a final decision on the matter on Wednesday.

Import tariffs will drop from 12 per cent to 4.2 per cent for fresh Thai shrimp, and from 20 per cent to 7 per cent for prepared shrimp - without quota.

The measure will enter into force by the middle of the month when it is published as EU legislation. However, it will apply retroactively from August 1 and run until December 31. A new GSP scheme will then become effective on January 1 and maintain duties for Thai shrimp at these same levels.

The director-general for Trade of the EU Commission and GSP Coordinator Philippe Cuijsion said the new GSP programme would have a three-year term.

'I am pleased to deliver this good news to Thai shrimp farmers. This will give a boost to the Thai economy, in particular the southern provinces affected by the tsunami,' said Ambassador Dr Friedrich Hamburger, Head of the Delegation of the European Commission to Thailand.

These tariff reductions will apply on a retroactive basis, which means that customs will refund any excess duties paid by importers between August 1 and the publication of the temporary measure.

The EU is a major consumer of shrimp and has to import considerable quantities to satisfy its needs.

Under the new GSP scheme starting on January 1, benefits will be restored for Thailand in fishery products (including shrimp), edible preparations and beverages, plastic and rubber, footwear, and consumer electronics. A widening of product coverage will also include Thai canned tuna.

In 2004, Thailand exported Bt2.1 billion worth of shrimp products to the EU. Total Thai exports to the EU in 2004 amounted to Bt578 billion, with a Bt200-billion trade surplus in the Kingdom's favour.

The Thai shrimp industry's problems arose in 1999.

When a product claims close to 15 per cent of the EU market, it loses its GSP privileges. Such privileges on Thai shrimp were cut in 1999, prompting an import tariff to 12 per cent while Thailand's export rivals such as Malaysia and Indonesia stayed at 4.2 per cent. Thai shrimp exports to the EU gradually dropped from 33,000 tonnes per year before the

GSP cut, to 5,000 tonnes last year.

Somsak Paneetatyasai, president of Thai Shrimp Association, said yesterday that the reinstatement of the GSP programme would strengthen the Kingdom's export competitiveness after losing out to rivals for more than seven years.

He added that the EU announcement would increase exports and alleviate the current price-drop problem that sprang from export difficulties.

Thailand has faced a two-edged sword - from the EU's GSP cut, and a 5.95-per-cent anti-dumping charge in the US market.

The domestic price for export grade (50 shrimp equal to one kilogram) has increased from Bt120-Bt130 to Bt150 per kilo.

After the slump in the EU shrimp market, Thai exporters should now focus more on marketing strategy to convince EU buyers that their product is high quality and meets EU food safety requirements, Somsak said.

The Thai Shrimp Association hopes to increase its EU market share to 10 per cent in the next few years from less than 1 per cent now. The EU demand for shrimp is expected to reach 700,000 tonnes this year.

'The EU announcement is good news for Thailand and will boost its exports in the market again. It will also help the survival of Thai shrimp farmers whose farms were demolished by the tsunami disaster and hurt by the price drop due to years of struggling exports,' he said.

Thai exporters will shift to the EU market rather than struggle only in the US market, where they are burdened by the anti-dumping charges.

Of Thailand's total head-on shrimp production of 320,000 tonnes, exports to US account for 55 per cent. This figure will drop to 40 per cent after the reinstatement of the GSP, Somsak said.

Don Pramudwinai, ambassador of Thailand to Belgium, Luxembourg and the European Communities, said yesterday that the move fulfilled Thailand's ambitions to relieve the suffering of southern shrimp farmers.

This is a result of the EU's policy of returning the GSP to all countries affected by December's tsunami.

The Commerce Ministry reported that Thai frozen-shrimp exports dropped 90 per cent since the GSP was cut in 1999. The export value fell from Bt9.36 billion in 1998 to Bt245 million in 2003.

Don said the growth of shrimp exports would not be rapid after the GSP scheme implementation, but would recover gradually.

He suggested that Thai producers and exporters focus on product quality development rather than rely on tax privileges to strengthen competitiveness.

Adirek Sripratak, president and chief executive officer of Charoen Pokphand Foods, said the company's total export volume to the EU market would increase by 300 per cent to 6,000 tonnes this year. The company had previously targeted exports at only 2,000 tonnes.

As a result, the company's total export volume is expected to reach 45,000 tonnes this year, with a projection of 60,000 tonnes for next year.

## Alaskan processors donate more than 160,000 lbs of canned seafood, more on the way

SEAFOOD.COM NEWS [FISH FACTOR] by Laine Welch -- Kodiak Sept. 12, 2005- Seafood groups all across the nation are rallying to help their counterparts in areas ravaged by hurricane Katrina. In Alaska, efforts began almost immediately when more than 30 major seafood processors began donating canned and pouched products via Sea Share, the "bycatch to food banks" network formed by Bering Sea fishing companies in 1993. Sea Share coordinates distribution through America's Second Harvest food bank network directly where relief is needed most. The Sea Share companies include members of the At-sea Processors Association, Pacific Seafood Processors Association and others throughout Alaska and the North Pacific, said director Tuck Donnelly.

"Right now we are struggling with a limited amount of cold storage, so we've been asking for and receiving truckloads of products that don't need refrigeration," Donnelly said, estimating that more than 160,000 pounds of canned and pouched seafood were donated within just a few days after Katrina clobbered Louisiana and Mississippi. Donnelly said Sea Share also is organizing distribution of frozen seafood products. "'It's going to be a long term need, and we will continue to donate and deliver food directly to the Gulf region for as long as it takes," he said.

Likewise, the nation's largest seafood trade group ? the National Fisheries Institute ? is using Sea Share to coordinate donations by its members, which range from hundreds of small "Mom and Pop" companies to huge multinational corporations. NFI is also coordinating financial contributions to the devastated region. "This is more than just the fishing industry ? it's the seafood community," said spokesperson Stacey Felzenberg. She pointed out that Louisiana is the nation's second largest seafood producer (following Alaska), and provides more than 40 percent of U.S. annual oyster production. The Louisiana Dept. of Wildlife & Fisheries estimates the financial loss for oysters at \$546 million over a 12 month period. "And that doesn't take into account the impact on boats, docks, ice houses, processing plants," said Felzenberg. "We've heard directly from oystermen that it will be another two or three years before they'll see another oyster crop."

Meanwhile, the United Fishermen of Alaska has joined with the Southern Shrimp Alliance to provide help in the form of gear, netting, apparel, replacement parts and machinery to its more than 500 members. The SSA is made up of shrimp boat, dock and business owners in eight states spanning the Gulf and South Atlantic states. That region's wild shrimp industry is valued at more than \$200 million annually.

Anyone wanting to help in the relief efforts is urged to contact Sea Share's operations director Jim Harmon at 206-842-3609, ext. 202, or [jharmon@seashare.org](mailto:jharmon@seashare.org). The UFA contact is Mark Vinsel at 907-

586-2820 or [ufa1@ufa-fish.org](mailto:ufa1@ufa-fish.org).